

SECOND REGULAR SESSION

# HOUSE BILL NO. 1180

## 97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GATSCHENBERGER.

4910H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to homestead property tax exemptions for senior citizens.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 137, RSMo, is amended by adding thereto one new section, to be known as section 137.108, to read as follows:

**137.108. 1. As used in this section, the following terms mean:**

(1) "Exemption", the reduction in the property tax assessed on a resident's homestead as allowed under this section;

(2) "Homestead", the dwelling in this state that is owned by the resident as a primary residence and the land surrounding it as is reasonably necessary for use of the dwelling as a home not to exceed five acres. A "homestead" may consist of part of a multidwelling or multipurpose building and part of the land upon which it is built and may include a mobile home;

(3) "Resident", any individual owner of a homestead or such person's spouse who:

(a) Is sixty-five years of age or older as of January first of the calendar year for which the exemption allowed in this section is claimed;

(b) Occupied the homestead for the entire year for which the exemption allowed in this section is claimed; and

(c) Has a total household income amount that does not exceed the amount calculated and allowed under this section;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16           (4) "Total household income amount", the combined total of the adjusted gross  
17 income of each resident in the homestead, not to exceed fifty thousand dollars or the total  
18 household income amount as increased annually under this section.

19           2. For all tax years beginning on or after January 1, 2015, each eligible resident  
20 may claim a homestead exemption as allowed under this section. The amount of the  
21 exemption shall be calculated by reducing the amount of property tax assessed on the  
22 resident's homestead by two and one-half percent for each year after the person becomes  
23 an eligible resident. The amount of the exemption shall continue to increase by two and  
24 one-half percent each year until the resident reaches eighty years of age, so that each  
25 resident who is eighty years of age or older shall be liable for no more than sixty percent  
26 of the amount of the property tax assessed on such resident's homestead.

27           3. Any eligible resident may claim the exemption allowed under this section by  
28 completing and submitting an application provided by the resident's local assessor's office  
29 no later than May first of each year for the resident to be eligible for the exemption in the  
30 year for which the application is submitted. The application shall provide space for the  
31 resident to show eligibility under this section and to request the exemption. The resident  
32 shall attest under penalty of perjury that the information included in the application is true  
33 to the best of the resident's knowledge and belief. Upon verification of the application, the  
34 assessor shall adjust the assessment of the resident's homestead as required under this  
35 section.

36           4. No resident claiming either the property tax credit allowed under sections  
37 135.010 to 135.035 or the homestead exemption allowed under section 137.106 shall be  
38 eligible for the exemption allowed under this section.

39           5. For purposes of this section, the total household income amount shall be  
40 increased on the first day of January each year by multiplying fifty thousand dollars by  
41 the cumulative percentage increases over the previous year in the Consumer Price Index  
42 for All Urban Consumers as prepared by the United States Bureau of Labor Statistics, or  
43 its successor index, for all years since January 1, 2015, and rounded to the nearest one  
44 hundred-dollar amount.

45           6. All revenue losses of any political subdivision resulting from the exemption  
46 contained in this section shall be reimbursed to those political subdivisions by the state of  
47 Missouri through appropriations. Data substantiating such revenue losses shall be  
48 provided to the state auditor in such form as shall be prescribed by the state auditor by  
49 rule. The required data shall be submitted for each political subdivision levying a property  
50 tax and shall be submitted by either the county or the individual taxing authority as  
51 requested by the state auditor. Calculation or verification of the revenue loss shall be

52 determined by the state auditor subsequent to the annual property tax rate review  
53 completed under section 137.073. All data and documents substantiating the revenue loss  
54 for each political subdivision shall be copied to each county clerk respectively and shall be  
55 retained and made available for public inspection by the county for a minimum of three  
56 years.

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